

**ASSEMBLY BILL**

**No. 2241**

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**Introduced by Assembly Member Eggman**

February 21, 2014

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An act to amend Section 51255.1 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2241, as introduced, Eggman. Local government: agricultural land.

Existing law authorizes the parties to a Williamson Act contract, after approval by the Department of Conservation, to mutually agree to rescind the contract in order to simultaneously enter into a solar-use easement that would require that the land be used for solar photovoltaic facilities for a term no less than 20 years, except as specified. Existing law requires the city or county to charge the property owner a rescission fee of  $6\frac{1}{4}\%$  of the fair market value of the property at the time of the rescission if the property was under a Williamson Act contract, and  $12\frac{1}{2}\%$  of the fair market value of the property at the time of the recession if the land was held under a contract designating the property a farmland security zone.

This bill would instead require a city or county to charge the property owner a recession fee of 10% of the fair market value of the property at the time of the recession for both land under a Williamson Act contract and land designated as a farmland security zone.

Existing law requires the rescission fees to be deposited in the General Fund, as specified.

This bill would instead require 50% of the recession fees collected to be deposited in the General Fund, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 51255.1 of the Government Code is  
2     amended to read:  
3     51255.1. (a) Notwithstanding any other provision of this  
4     chapter, the parties may upon their mutual agreement rescind a  
5     contract for a parcel or parcels of land that, upon review and  
6     approval, are determined by the Department of Conservation to  
7     be eligible to be placed into a solar-use easement pursuant to  
8     Section 51191, in order to simultaneously enter into a solar-use  
9     easement pursuant to Chapter 6.9 (commencing with Section  
10    51190). This action may be taken notwithstanding the prior serving  
11    of a notice of nonrenewal.  
12    (b) Nothing in this section limits the ability of the parties to a  
13    contract to seek nonrenewal, or petition for cancellation or  
14    termination of a contract pursuant to this chapter. This section is  
15    provided in addition to, not in replacement of, other methods for  
16    contract termination, Williamson Act compliance, or a county  
17    finding that a solar facility is a compatible use pursuant to this  
18    chapter.  
19    (c) (1) Prior to the board or council agreeing to mutually rescind  
20    a contract pursuant to this section, the county assessor of the county  
21    in which the land is located shall determine the current fair market  
22    value of the land as though it were free of the contractual  
23    restriction. The assessor shall certify to the board or council the  
24    fair market valuation of the land for the purpose of determining  
25    the rescission fee. At the same time, the assessor shall send a notice  
26    to the landowner and the Department of Conservation indicating  
27    the current fair market value of the land as though it were free of  
28    the contractual restriction and advise the parties, that upon their  
29    request, the assessor shall provide all information relevant to the  
30    valuation, excluding third-party information. If any information  
31    is confidential or otherwise protected from release, the department  
32    and the landowner shall hold it as confidential and return or destroy  
33    any protected information upon termination of all actions relating  
34    to valuation or rescission of the contract on the property. The notice

1 shall also advise the landowner and the department of the  
2 opportunity to request formal review from the assessor.

3 (2) Prior to agreeing to mutually rescind a contract pursuant to  
4 this section, the board or council shall determine and certify to the  
5 county auditor the amount of the rescission fee that the landowner  
6 shall pay the county treasurer upon rescission. That fee shall be  
7 an amount equal to ~~6 ¼~~ 10 percent of the fair market valuation of  
8 the property ~~if the~~ for land that was held under a contract pursuant  
9 to Section 51240, ~~and 12 ½ percent if the land was held in a~~  
10 ~~contract designating or if the property was designated as a farmland~~  
11 ~~security zone.~~

12 (3) When rescission fees required by this subdivision are  
13 collected, ~~they~~ 50 percent of the fee shall, within 30 days of the  
14 execution of the mutual rescission of the contract by the parties,  
15 be transmitted by the county treasurer to the Controller and  
16 deposited in the General Fund, except as provided in subdivision  
17 (b) of Section 51203 or subdivision (d) of Section 51283. ~~The~~  
18 ~~funds collected by the county treasurer with respect to each~~  
19 ~~rescission of a contract shall be transmitted to the Controller within~~  
20 ~~30 days of the execution of the mutual rescission of the contract~~  
21 ~~by the parties.~~

22 (4) It is the intent of the Legislature that fees paid to rescind a  
23 contract do not constitute taxes but are payments that, when made,  
24 provide a private benefit that tends to increase the value of the  
25 property.